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January 22, 2004

The Honorable Bruce F. Duke
Executive Director
South Carolina Public Service Commission
Synergy Business Park
101 Executive Center Drive
Columbia, South Carolina 29210

**RE: Intrastate Universal Service Fund
Docket No. 1997-239-C**

Dear Mr. Duke:

I am writing to respond to Mr. Ellerbe's letter to you dated January 14, 2004, in which the South Carolina Cable Television Association ("SCCTA") objects to the revised testimony of Emmanuel Staurulakis, which was filed on January 6, 2004 on behalf of Bluffton Telephone Company, Hargray Telephone Company, Home Telephone Company, Horry Telephone Cooperative, and PBT Telecom in the above-referenced docket. SCCTA contends that the financial information contained in Mr. Staurulakis' Exhibit C was not included in the original version of Mr. Staurulakis' testimony which was timely filed. SCCTA further contends that the revision was substantive, and that the revised testimony was submitted after the applicable deadline for pre-filing testimony.

To the contrary, the revisions to Mr. Staurulakis' testimony were for clarity's sake only, and no new matter was included. Mr. Staurulakis discusses the results of the cost studies in his testimony, and the cost studies have been filed under seal with the Commission and have been made available to a number of parties, including SCCTA, pursuant to a Protective Agreement. After filing Mr. Staurulakis' direct testimony, we determined that it would be helpful to place in Mr. Staurulakis' testimony in exhibit form a summary of some of the non-confidential financial information. We felt this would aid the Commission and the parties in understanding the discussion of the cost information in Mr. Staurulakis' testimony, particularly those parties who have not requested access to the confidential cost studies. Mr. Staurulakis' Exhibit C does not contain any information that is not in his testimony or in the cost studies, or that cannot be easily derived from the information therein. It does not represent a substantive change in any position taken by the companies in this docket. Thus, the exhibit could almost certainly be placed in the record during the hearing; however, we chose instead to provide it in advance to the Commission and all parties.

The Honorable Bruce F. Duke

January 22, 2004

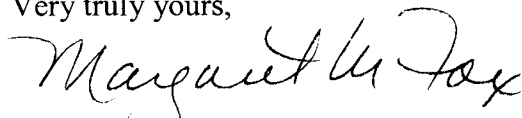
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In addition, we note that Mr. Staurulakis' revised testimony was filed on January 6, 2004, only three business days after his original direct testimony was filed and six business days before other parties' testimony was due in this docket. Thus, even if the changes had been substantive, the parties had adequate opportunity to review the changes before their testimony was due, and there was no prejudice to any party. In fact, the SCCTA did not file testimony in this docket. Thus, at best SCCTA can argue it has been given 22 days rather than 28 days in which to review this exhibit prior to the scheduled hearing in this matter.

The Commission has, in the past, accepted revised and even supplemental testimony from parties. The issues before the Commission are often very complex, and during the course of proceedings it is sometimes deemed necessary and appropriate to clarify or supplement testimony. This can be very helpful to the Commission, because it clarifies positions and issues to the greatest extent possible prior to the hearing which, after all, is the purpose of pre-filing testimony. As long as all parties have an adequate opportunity to review and respond to testimony, no party is prejudiced. In some cases -- for example, if the changes are significant and substantive -- the Commission may find it appropriate to allow other parties extra time to respond. That is not the case here, however, as the revisions were not substantive and were consistent with the testimony and cost studies previously filed in this docket.

We respectfully request that the Commission overrule SCCTA's objection and accept Mr. Staurulakis' revised testimony in this docket as filed on January 6, 2004.

Very truly yours,



Margaret M. Fox

MMF:rwm

Enclosures

cc: Parties of Record